

Columbus Redevelopment Commission

Presentation on

Economic Impacts of Redevelopment

Columbus, Indiana

September 12, 2011



Downtown Development Goals

1. Enhance Columbus' **regional appeal** by directing appropriate development towards downtown
2. Remove barriers to future quality **Downtown development initiatives**
3. Pursue “vibrant urbanity” by converging markets (*live, work, play, and shop*) to shape Downtown into an engaging streetscape experience that encourages repeat visits by residents and visitors
4. Broaden Downtown's roles as a **housing** market and **neighborhood service center**
5. Reinforce the existing physical fabric of Downtown to better communicate a **sense of place** including a stronger definition of districts, gateways, **gathering places**, and relationships to surrounding neighborhood.



Downtown Columbus 2007 – Where we started



Cummins Parking Garage / Mixed use (4th 1/4 2011)

**Cummins
Office
Building
(Complete)**

**Proposed Housing /
Commercial / Parking
(Current Post Office)
(long term project)**

Jackson St. Parking Garage (Complete)

The Commons (Complete)

Cummins Office Expansion (4th 1/4 2011)

IU CAD
(3rd 1/4 2011)

**Cummins
Office
Building
(Complete)**

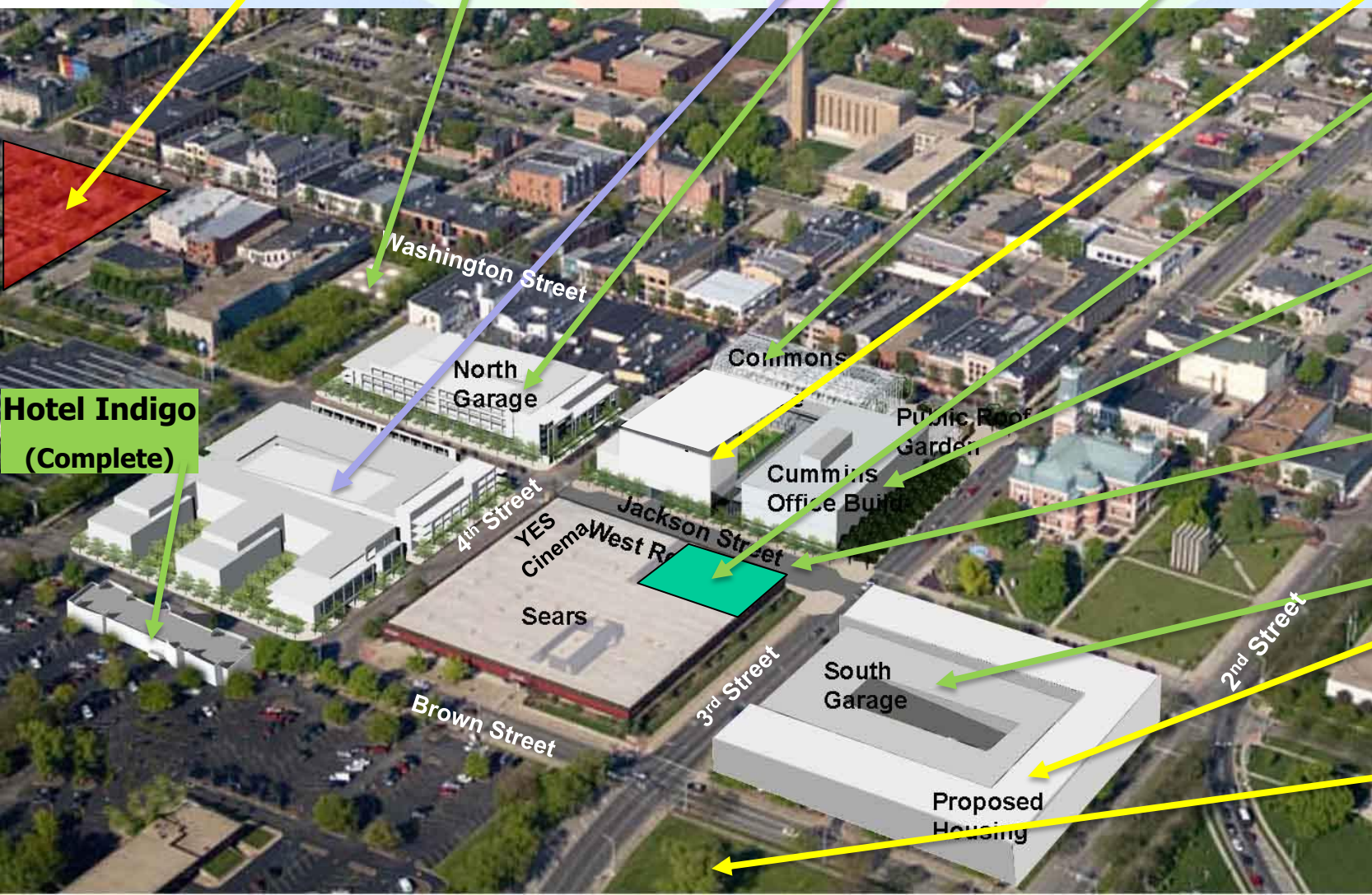
**Jackson
Street
Extension
(Complete)**

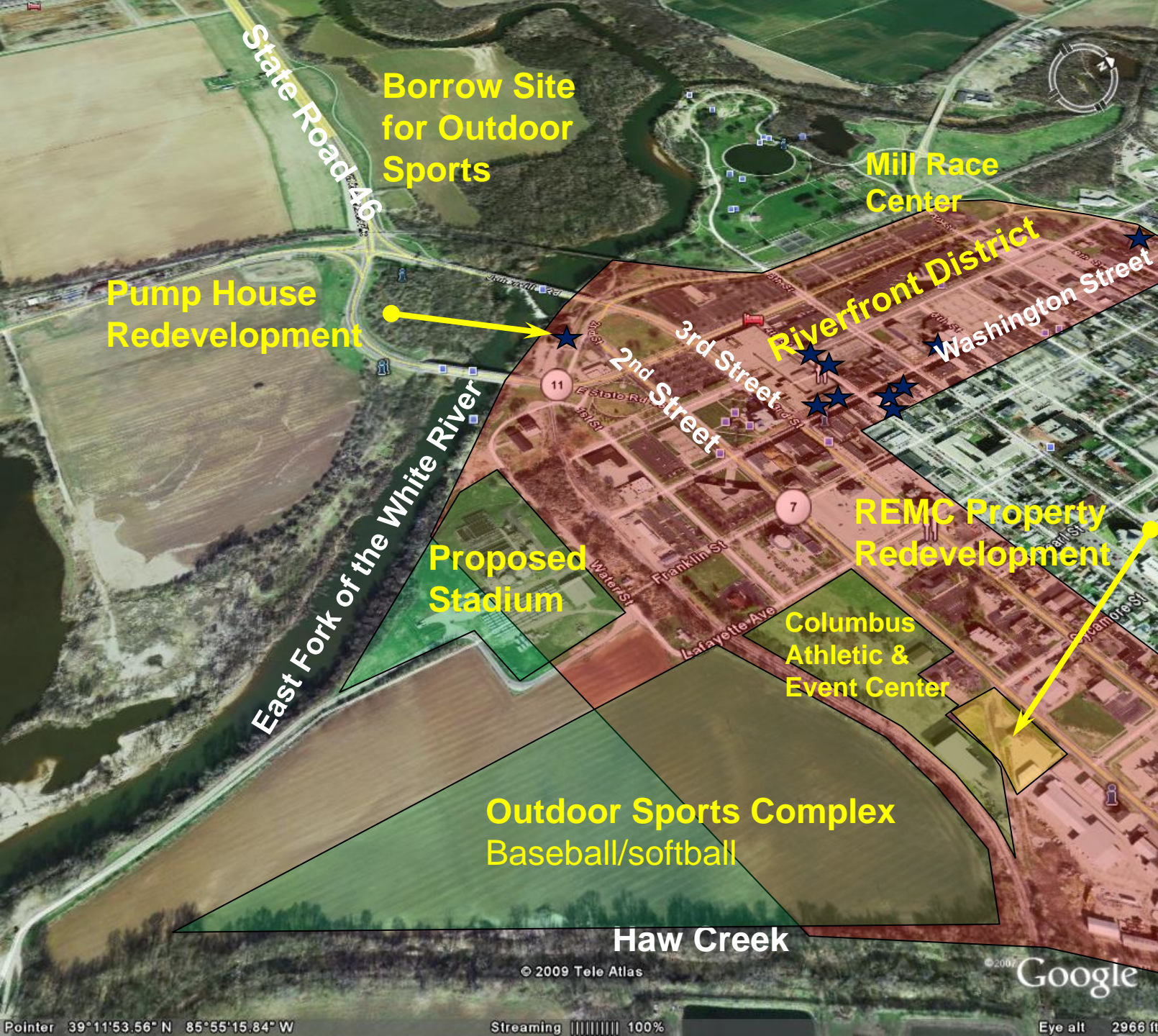
**2nd Street
Parking
Garage
(complete)**

**The Cole
Housing
(4th 1/4 2011)**

First Financial (4th 1/4 2011)

Hotel Indigo (Complete)





Impacts

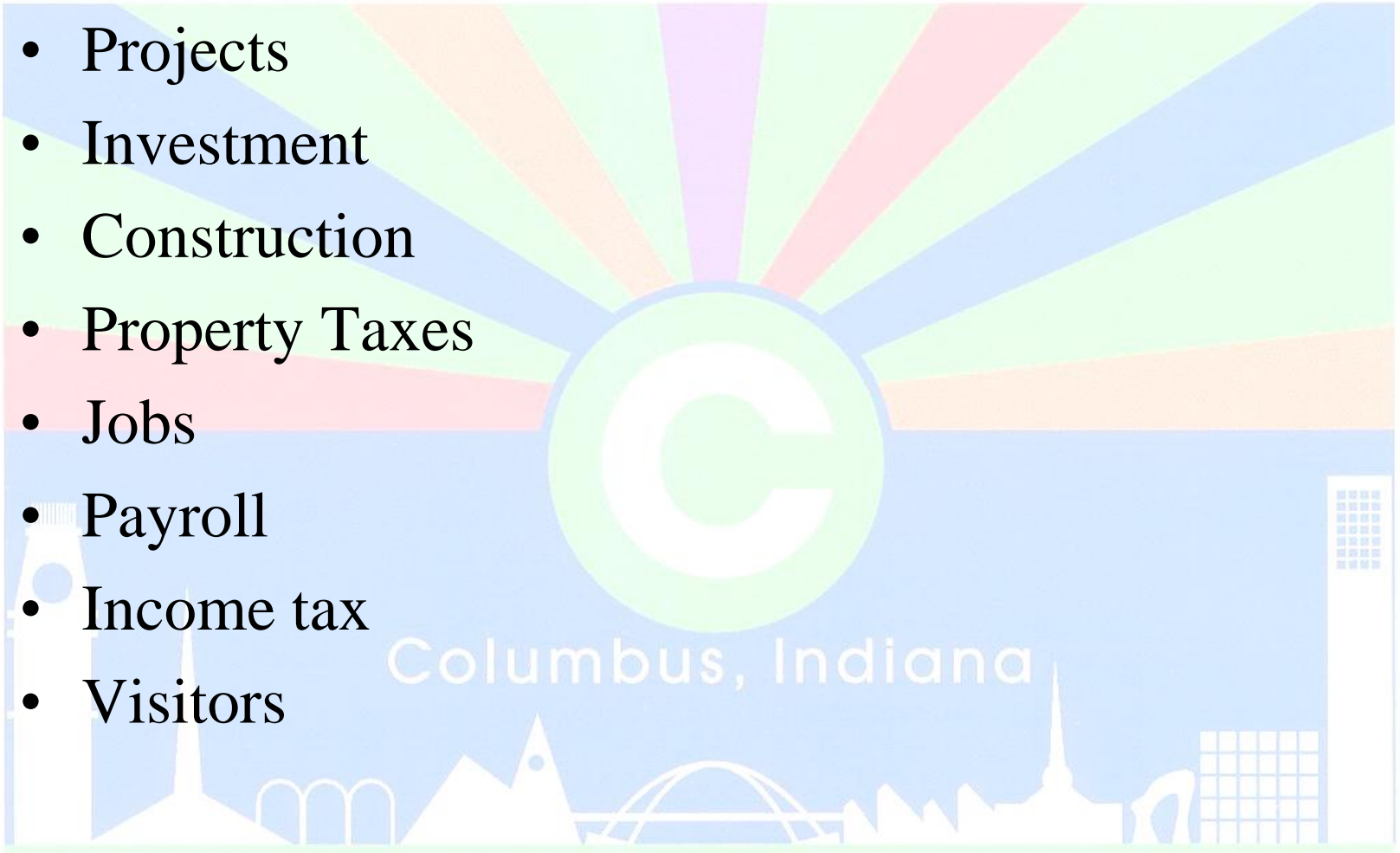
Project	City	Private	Other	Total	Construction Cost	Estimated Property Taxes	Jobs Created	Multiplier	Indirect & Induced Jobs	Total Jobs	Estimated Annual Payroll	Annual Indirect & Induced Compensation	Annual Total Compensation	Annual Income Tax - Personal	Annual Visitors	Annual Tourism Impact	Total Annual Economic Impact	Source
Completed																		
Hotel Indigo		\$9,000,000		\$9,000,000	\$9,000,000	\$112,743	37	1.398657	12	49	\$500,016	\$168,335	\$668,351	\$23,663				Hotel Indigo
Jackson Street Parking Garage	\$10,000,000			\$10,000,000	\$8,000,000	\$100,216	5	1.633906	3	8	\$50,000	\$31,695	\$81,695	\$2,893				City
Cummins Office		\$12,500,000		\$12,500,000	\$12,500,000	\$158,586	550	2.463975	805	1355	\$44,000,000	\$64,414,900	\$108,414,900	\$3,838,441				Dora
2nd Street Parking Garage	\$1,000,000	\$2,600,000	\$4,000,000	\$7,600,000	\$7,600,000	\$95,204	4	1.633906	3	7	\$40,000	\$25,356	\$65,356	\$2,314				City
Jackson Place		\$5,000,000		\$5,000,000	\$5,000,000	\$62,634	1	1.239400	0	1	\$35,000	\$8,375	\$43,375	\$1,536				Michael Grevan
Zaharako's		\$4,000,000		\$4,000,000	\$4,000,000	\$50,104	40	1.175862	7	47	\$400,000	\$70,345	\$470,345	\$16,653				Zaharakos
Commons	\$9,000,000			\$9,000,000	\$18,000,000	\$175,374	7	1.180401	1	8	\$280,000	\$50,512	\$330,512	\$11,702				City
Mill Race Center	\$2,000,000	\$5,500,000		\$7,500,000	\$7,500,000	\$93,953	62	1.199158	12	74	\$620,000	\$123,478	\$743,478	\$26,323				Mill Race Center
Transit Center		\$1,200,000		\$1,200,000	\$0	\$0	2	1.130971	0	2	\$0	\$0	\$0	\$0				MPO
LHP		\$1,200,000		\$1,200,000	\$0	\$0	42	1.477675	20	62	\$1,050,000	\$501,555	\$1,551,555	\$54,933				LHP
Garage Pub and Grill	\$225,000	\$225,000		\$450,000	\$0	\$0	30	1.175862	5	35	\$300,000	\$52,759	\$352,759	\$12,488				Garage Pub
Bistro 310	\$200,000			\$200,000	\$0	\$0	20	1.175862	4	24	\$200,000	\$35,172	\$235,172	\$8,326				Bistro
Coriden Law		\$1,000,000		\$1,000,000	\$1,000,000	\$12,527												Coriden
Main Source				\$0	\$0	\$0												
IU CAD	\$500,000	\$2,018,000		\$2,518,000	\$2,518,000	\$31,543	4	1.195363	1	5	\$336,000	\$65,642	\$401,642	\$14,221				Education Coalition
CEP/ Tech Center				\$0	\$0	\$0	650	2.463975	952	1602	\$52,000,000	\$76,126,700	\$128,126,700	\$4,536,338				Cummins
NuSun	\$225,000		\$3,050,000	\$3,275,000	\$0	\$0	80	2.257748	101	181	\$3,680,000	\$4,628,513	\$8,308,513	\$294,163				NuSun
Sunright		\$10,000,000		\$10,000,000	\$6,000,000	\$75,162	90	1.640971	58	148	\$2,790,000	\$1,788,308	\$4,578,308	\$162,095				Sunright
Tech Top		\$2,600,000		\$2,600,000	\$2,600,000	\$32,570	0	1.640971	0	0	\$0	\$0	\$0	\$0				Tech Top
Underway / Announced																		
First Financial		\$3,000,000		\$3,000,000	\$3,000,000	\$37,581	100	2.298969	130	230	\$5,000,000	\$6,494,845	\$11,494,845	\$406,976				First Financial
Scotty's		\$1,200,000		\$1,200,000	\$1,800,000	\$22,546	80	1.175862	14	94	\$800,000	\$140,690	\$940,690	\$33,305				Scotty's
Pucinis	\$150,000			\$150,000	\$0	\$0	30	1.175862	5	35	\$300,000	\$52,759	\$352,759	\$12,488				Pucinis
Joe Willy's		\$400,000		\$400,000	\$0	\$0	20	1.175862	4	24	\$200,000	\$35,172	\$235,172	\$8,326				Joe Willy's
Jackson Place		\$10,000,000		\$10,000,000	\$10,000,000	\$125,270												Michael Grevan
Imagination Station				\$0	\$0	\$0	2	1.100022	0	2	\$20,000	\$2,000	\$22,000	\$775				Imagination Station
Subway				\$0	\$0	\$0	20	1.175862	4	24	\$200,000	\$35,172	\$235,172	\$8,326				Estimated
Snappy				\$0	\$0	\$0	10	1.175862	2	12	\$100,000	\$17,586	\$117,586	\$4,163				Estimated
Pumphouse - FarmBrew		\$1,500,000		\$1,500,000	\$1,500,000	\$18,791	45	1.175862	8	53	\$900,000	\$158,276	\$1,058,276	\$37,468				FarmBrew
Cummins Expansion		\$16,500,000		\$16,500,000	\$16,500,000	\$206,696	660	2.463975	966	1626	\$52,800,000	\$77,297,880	\$130,097,880	\$4,606,125				Cummins
Cummins Parking Garage	\$4,000,000		\$10,000,000	\$14,000,000	\$12,000,000	\$150,324	3	2.463975	4	7	\$60,000	\$87,839	\$147,839	\$5,234				City
Indoor Sports		\$15,000,000		\$15,000,000	\$13,000,000	\$162,851	15	1.166405	2	17	\$600,000	\$99,843	\$699,843	\$24,778	50000	\$10,000,000		Developer
Outdoor Sports	\$8,400,000		\$1,200,000	\$9,600,000	\$9,200,000	\$115,248	4	1.166405	1	5	\$80,000	\$13,312	\$93,312	\$3,304	33000	\$3,300,000		City
Cummins - 500 Washington				\$0	\$0	\$0	350	2.463975	512	862	\$28,000,000	\$40,991,300	\$68,991,300	\$2,442,644				Cummins
Cummins - 301 Washington				\$0	\$0	\$0	75	2.463975	110	185	\$6,000,000	\$8,783,850	\$14,783,850	\$523,423				Cummins
Buckingham		\$18,000,000		\$18,000,000	\$14,000,000	\$175,374	3	1.239400	1	4	\$30,000	\$7,182	\$37,182	\$1,317				Buckingham
ROI - City Initial Impact				412%	346%						459%		1242%				1332%	
ROI - City Annual Impact																	1332%	
Sub - Total	\$36,050,000	\$130,243,000	\$18,250,000	\$184,543,000	\$160,718,000	\$2,013,314	3045		3747	6788	\$201,371,018	\$282,309,360	\$483,680,378	\$17,124,752	83000	\$13,300,000	\$516,118,444	



Impacts

- Projects
- Investment
- Construction
- Property Taxes
- Jobs
- Payroll
- Income tax
- Visitors

Columbus, Indiana

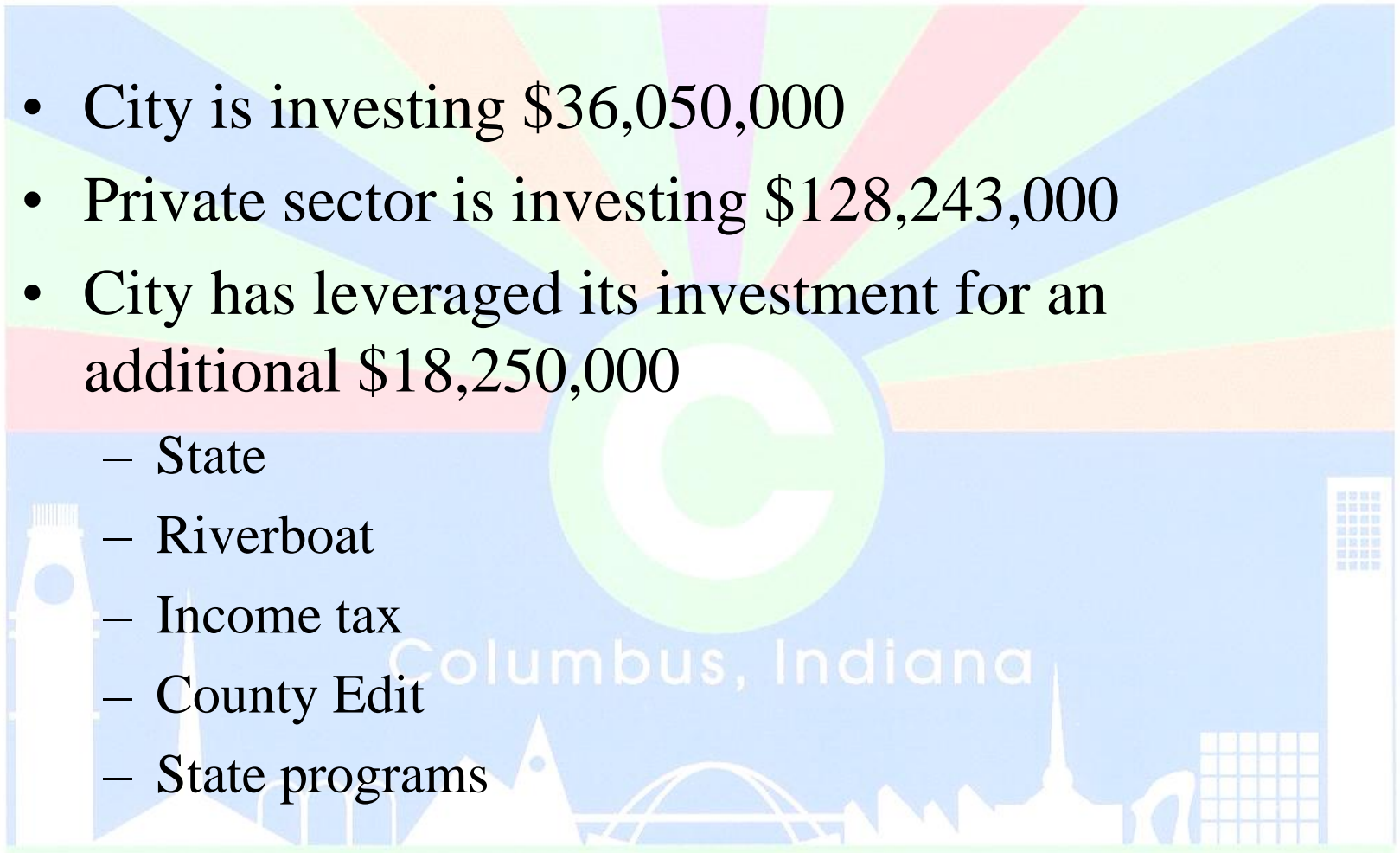


Projects

- There were and are 35 projects in and around the downtown area.
- These are a mix of public projects, private projects and public / private projects.
- They vary from small business to large corporations
- Approximately half are completed and half are underway or expected to start soon.
- ROI for hard investment is \$4.06 for every one time dollar the city contributed.

Investment

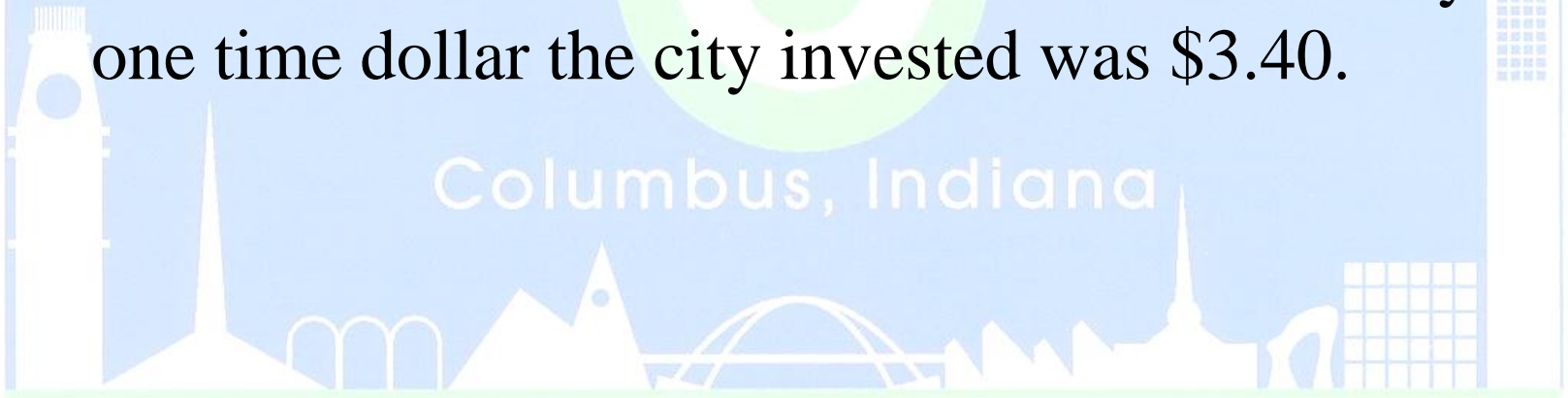
- City is investing \$36,050,000
- Private sector is investing \$128,243,000
- City has leveraged its investment for an additional \$18,250,000
 - State
 - Riverboat
 - Income tax
 - County Edit
 - State programs



Construction

- Estimated construction for all projects is \$158,718,000.
- While this has an impact on local and regional suppliers as well as construction workforce, these items were not tracked or estimated.
- Return on investment for construction for every one time dollar the city invested was \$3.40.

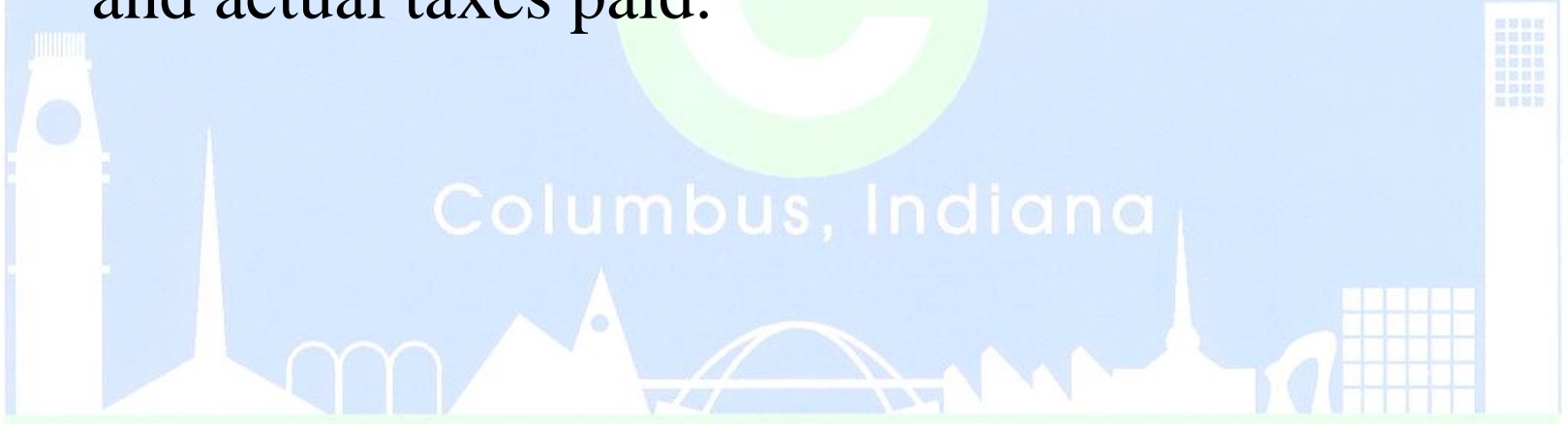
Columbus, Indiana



Property Taxes

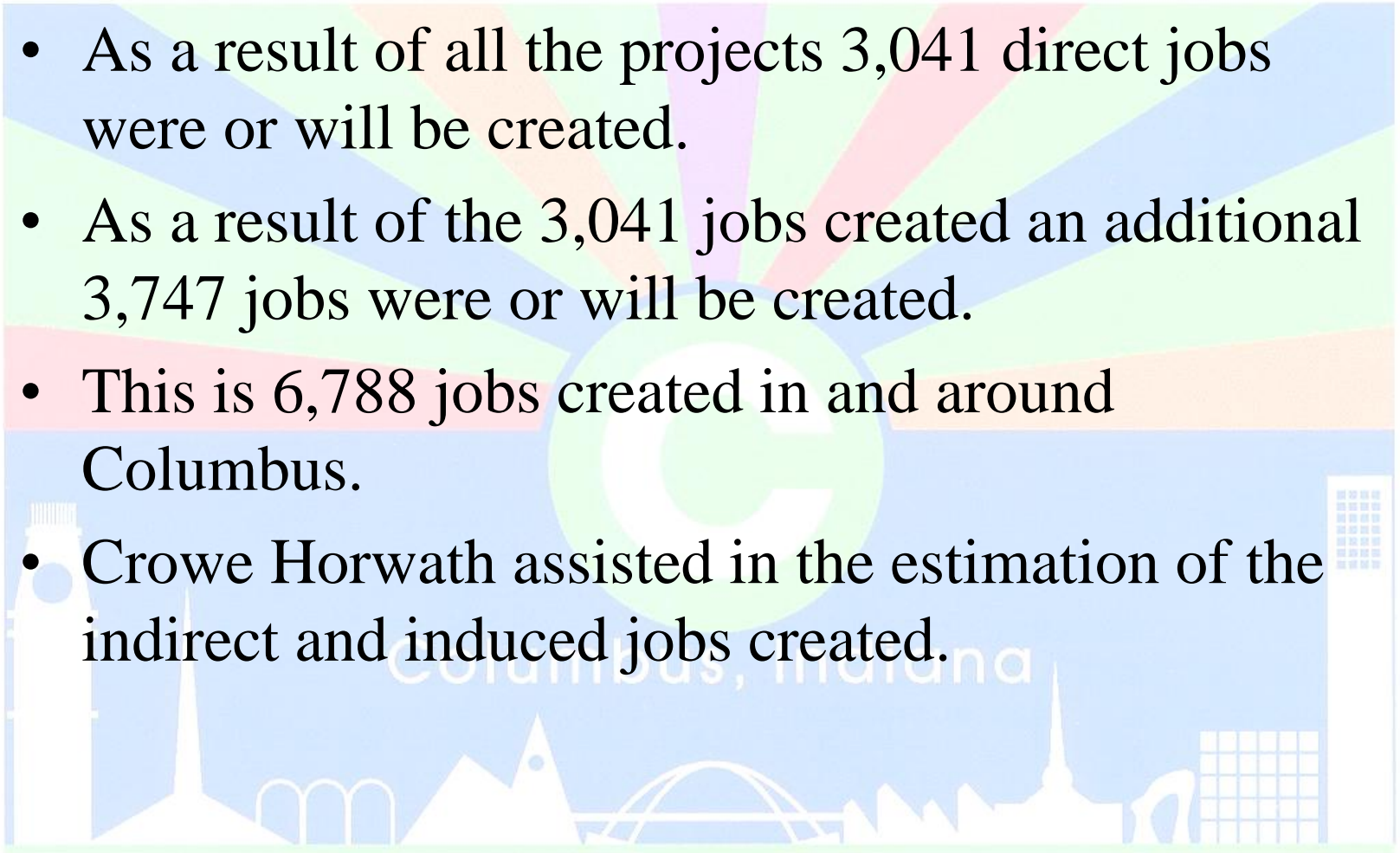
- The new investment will yield approximately \$1,988,260 in property taxes annually.
- Crowe Horwath assisted in the estimation of the property taxes.
- This is an estimate due to the lag in assessment and actual taxes paid.

Columbus, Indiana



Jobs

- As a result of all the projects 3,041 direct jobs were or will be created.
- As a result of the 3,041 jobs created an additional 3,747 jobs were or will be created.
- This is 6,788 jobs created in and around Columbus.
- Crowe Horwath assisted in the estimation of the indirect and induced jobs created.



Payroll

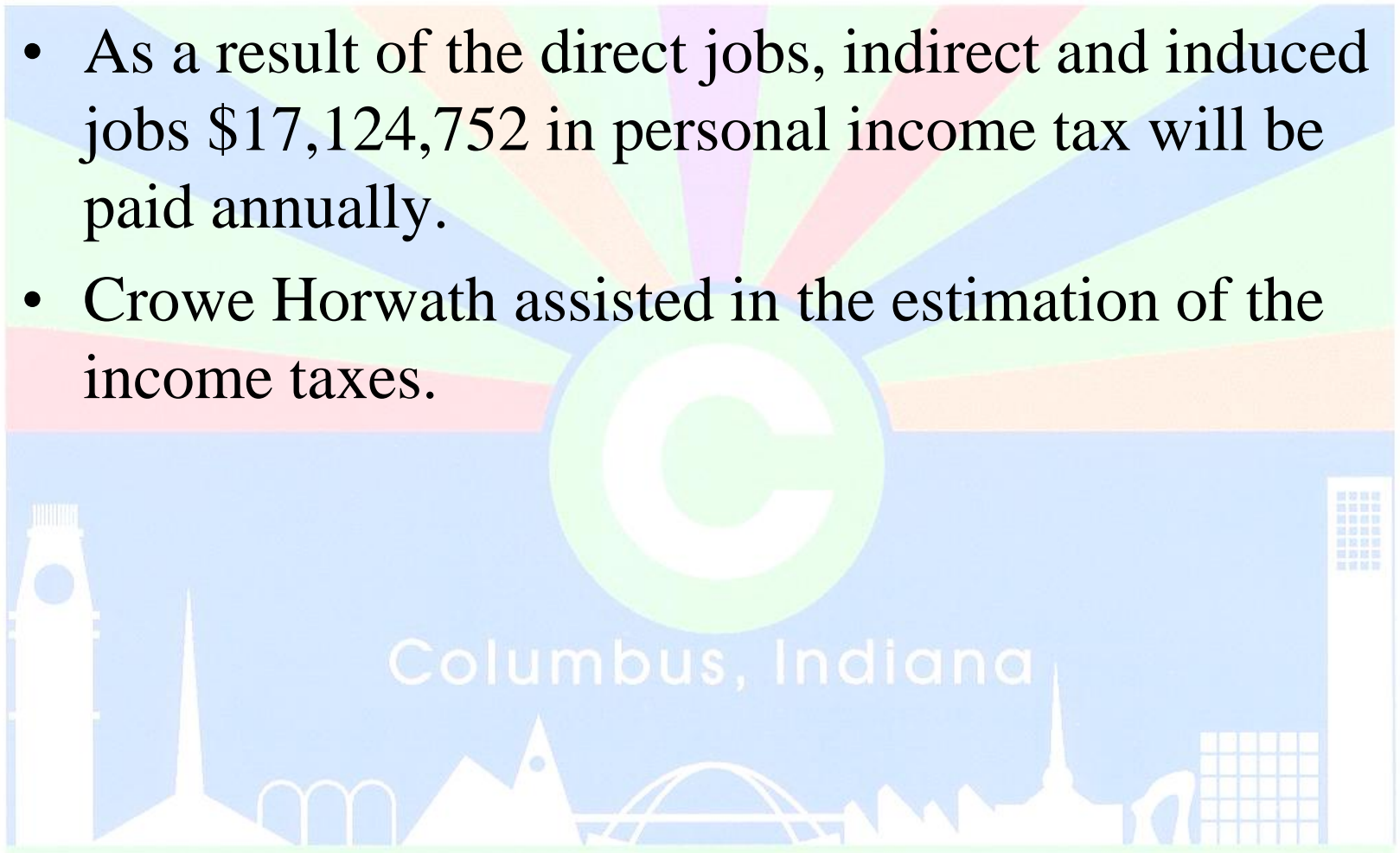
- As a result of the direct jobs \$201,371,018 in payroll will be created.
- As a result of the indirect and induced jobs \$282,309,360 will be created.
- This is an annual payroll of \$483,680,378 in annual payroll.

Columbus, Indiana



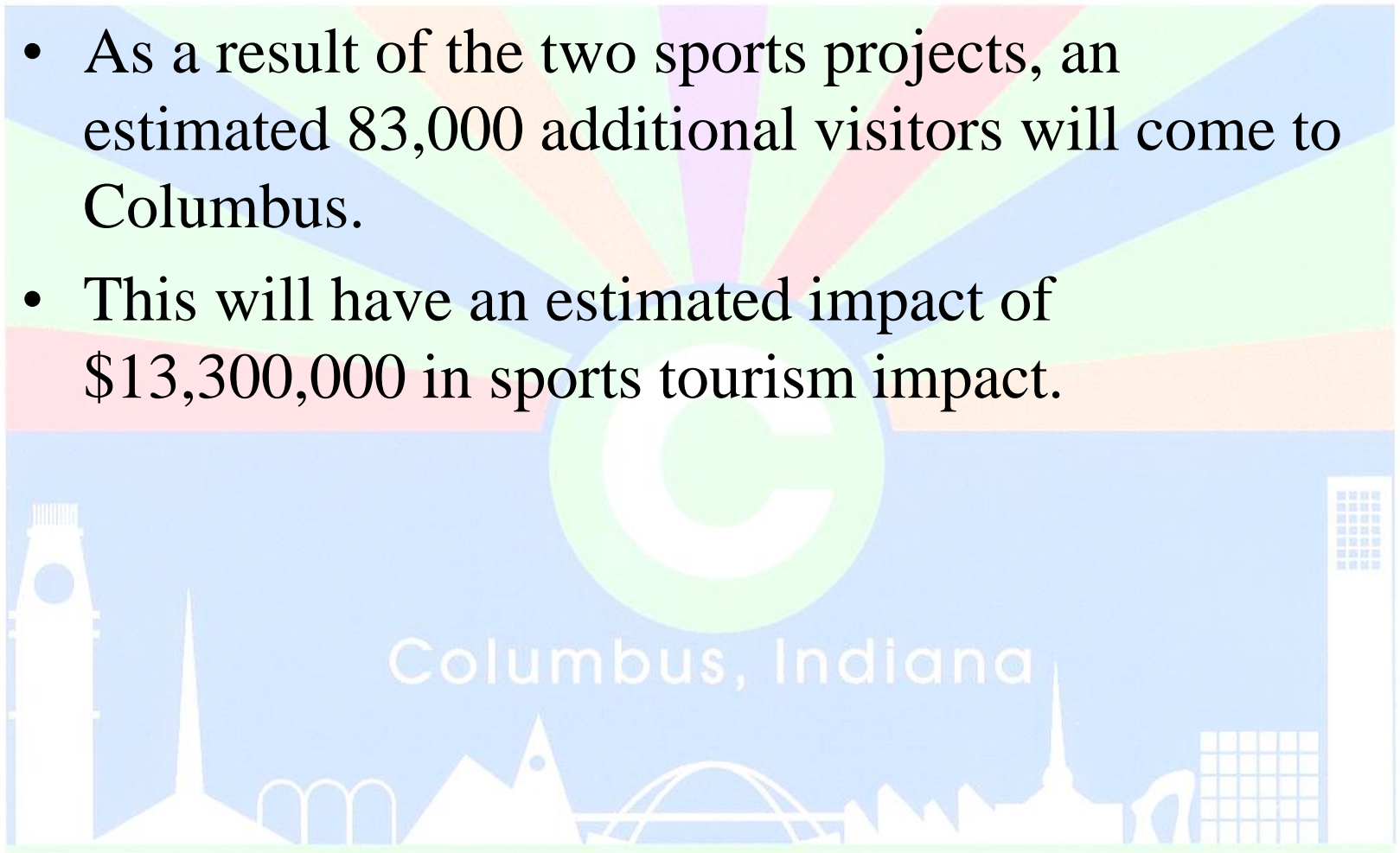
Income Tax

- As a result of the direct jobs, indirect and induced jobs \$17,124,752 in personal income tax will be paid annually.
- Crowe Horwath assisted in the estimation of the income taxes.



Visitors

- As a result of the two sports projects, an estimated 83,000 additional visitors will come to Columbus.
- This will have an estimated impact of \$13,300,000 in sports tourism impact.



Impacts

- As a result of the work of the Mayor, City Council, and Redevelopment Commission, Columbus will see an increase in:
 - Property Taxes
 - Jobs
 - Payroll
 - Income tax
 - Visitors, and
 - Sports tourism impact.

